Approved For Release 2002/08/07 CIA-RDF81800878R000100060003-7

DPD-6292-60

August 10, 1960

Dan:

Enclosed for your approval are the original and three (3) copies of Supplemental Agreement No. 4 to Contract dated June 24, 1958. This is for Settlement of Termination of Contract Work.

Charlie P. M.

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HF32-27 Pup See Supplemental Agreement No. 4 to Contract dated June 24, 1958.

SUPPLEMENTAL AGRESMENT

to

COST-PLUS-FIXED-FEE CONTRACT

with

THE PERKIN-SIMER CORPORATION

Contractor: Hyeon Manufacturing Company Pasadena, California

Supplemental Agreement for: Settlement of Termination of Contract

Work

THIS SUPPLEMENTAL AGREEMENT OF SETTLEMENT, entered into this twentieth (20th) day of July 1960 between the Perkin-Bimer Corporation and The Hydon Manufacturing Company

(i) a corporation organised and existing under the Laws of the State of Delaware.

WITNESSETH THAT:

WHEREAS, the Contractor and The Perkin-Elmer Corporation have entered into a contract under date of 24 June 1958, which, together with any and all emendments, changes, modifications, and supplements thereto, is hereinafter referred to as "the contract"; and

of work under the contract may at the convenience of the Government be terminated by the Government in whole, or from time to time in part, whenever the Contracting Officer shall determine that such termination is in the best interests of the Government, and that the Contractor and Perkin-Elmer Corporation may agree upon the whole or any part of the amount to be paid to the Contractor by reason of such termination; and

WHEREAS, by notice of termination dated 16 December 1958. The Perkin-Elmer Corporation advised the Contractor of the complete termination of the contract for the convenience of the Government; and

WHEREAS, as used herein, the following terms shall have the meanings hereinafter set forth:

The term "termination inventory" means any items of physical property purchased, supplied, manufactured, furnished, or otherwise acquired for performance of the contract which are properly allocable to the terminated portion of the contract, but shall not include any facilities, materials, production or other equipment, or special tooling, which are subject to a separate contract or a special contract provision governing the use or disposition thereof. Termination inventory may include Government-furnished property and contractor-acquired property as defined below.

- (i) Government-furnished property is property in the possession of or acquired directly by the Government and delivered or otherwise made available to the Contractor.
- (ii) Contractor-acquired property is property procured or otherwise provided by the Contractor for the performance of a contract, whether or not the Government has title by the terms of the contract, or exercises its contractual right to take title.

The term "subcontract" means any contract as defined in ASPR 1-201.6 other than a prime contract, entered into by a prime contractor or a subcontractor, calling for supplies or services required for the performance of any one or more prime contracts.

The term "scrap means property that has no reasonable prospect of being sold except for the recovery value of its basic material content.

NOW TAKREFORE, the parties hereto do mutually agree as follows:

Page 1 of Supplemental Agreement No. 4 to Contract dated June 24, 1958.
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- ARTICLE 1. The Contractor certifies that all contract termination inventory (including scrap) has been retained or otherwise acquired by it, sold to third parties, returned to suppliers, stored for the Government, delivered to the Government, or otherwise properly accounted for, and all proceeds or retention prices thereof, if may, have been taken into account in arriving at this agreement.
- ARTICLE 2. a. The Contractor certifies that, prior to the execution of this agreement, each of the Contractor's immediate subcontractors whose claim is included in the claim settled by this agreement, has furnished to the Contractor a certificate stating (i) that all of its subcontract termination inventory (including scrap) has been retained or otherwise acquired by it, sold to third parties, returned to suppliers, stored for the Government, delivered to the Covernment, or otherwise properly accounted for, and all proceeds or retention prices thereof, if any, were taken into account in arriving at the settlement of the subcontract or subcontracts and (ii) that the subcontractor has received from each of the immediate subcontractors whose claim was included in its claim a substantially similar certificate.
- b. The Contractor hereby transfers and conveys to the Government all the right, title and interest, if any, which the Contractor has received, or is entitled to receive, in and to subcontract termination inventory, if any, not otherwise properly accounted for, and hereby assigns to the Government any and all of its rights relating thereto.
 - ARTICLE 3. The Contractor certifies that, with respect to all items of termination inventory the costs of which were taken into account in arriving at the amount of this settlement, or in the settlement of any subcontract claim included in this settlement: (i) all such items are properly allocable to the terminated portion of the contract; (ii) such items are not in excess of the reasonable quantitative requirements of the terminated portion of the contract; (iii) such terms do not include any items reasonably usable, without loss to the Contractor, or its other work; and (iv) the Contractor has informed the Contracting Officer of any substantial change in the status of such items between the dates of its termination inventory schedules and the date of this agreement.
 - MRTICLE 4. In all cases where the Contractor has not previously made such payments, the Contractor shall, within ten (10) days after receipt of the payment provided for hereunder, pay to each of its immediate subcontractors (or to their respective assigness) the respective amounts to which they are entitled, after deducting, if the Contractor so elects, any amounts then due and payable to the Contractor by such subcontractors.
 - ARTICLE 5. a. The Contractor has received the sum of \$98,179.02 on account of work and services performed, or articles delivered, under the contract prior to the effective date of termination. The Perkin-Elmer Corporation as part of this negotiated settlement hereby confirms and acknowledges the right of the Contractor, subject to the provisions of Article 6 hereof, to retain such sum heretofore paid and agrees that such sum constitutes a pertion of the total amount to which the Contractor is entitled in complete and final settlement of the contract.
 - b. In addition, upon execution of this agreement, The Perkin-Slaer Corporation agrees to pay to the Contractor or its assignee, upon presentation of properly certified invoices or vouchers, the sum of \$14,807.39. Said sum, together with all other sums heretofore, paid, constitutes payment; in full and complete settlement of the amount due the Contractor by reason of the complete termination of work under the

contract and of all other claims and liabilities of the Contractor and The Perkin-Elmer Corporation under the contract, except as hereinafter provided in Article 6.

- ARTICLE 6. Notwithstanding any other provision of this agreement the following rights and liabilities of the parties under the contract are hereby reserved:
- (1) Claims by the Perkin-Elmer Corporation against the Contractor which are based upon refunds, rebates, credits, or other accounts not now known to the Perkin-Elmer Corporation, together with interest thereon, now due or which may become due the Contractor from third parties to the extent that such amounts arise out of transactions for which reimbursement has been made to the Contractor under the contract. Any such amounts which may bereafter become due to the Contractor from any third party or other source shall be paid to the Perkin-Elmer Corporation within 30 days after receipt by the Contractor. Interest at six (6) percent per amount shall account and shall be paid to the Perkin-Elmer Corporation on any such accounts as remain unpaid after the 30-day period.
- (2) All rights and liabilities of the parties arising under the contract articles, if any, or otherwise which relate to reproduction rights, patent infringuments, inventions, applications for patent and patents, including rights to assignments, invention reports and licenses, covenants of indexmity against patent risks and bonds for patent indemnity obligations, together with all rights and liabilities under any such bond.
 - (3) All rights and liabilities of the parties under agreements with respect to the future care and disposition by the Contractor of Government-owned property remaining in its custody.
 - (4) All rights and limbilities of the parties under the contract with respect to any contract termination inventory stored for the Go eroment pursuant to Article 1 hereof.
 - (5) All mights and liabilities of the parties under the contract with respect to any and all Government property, furnished to or acquired by the Contractor for the performance of this contract.
 - (6) All mights and limbilities, if any, of the parties under those clauses inserted in the contract because of the requirements of Acts of Congress and Executive Orders, including, without limitation, any applicable clauses relating to the following topics: labor law, contingent fees, domestic articles, employment of allens, "officials not to benefit."

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IN WITHESS WHEREOF, the parties hereto have caused this Supplemental Agreement to be duly executed as of the day and year first above written.

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		THE PERKIN-RIMER CORPORATION
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		HYCOR MANUFACTURING COMPANY
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		Approved by
		16 August 1960

Date